



# INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Logistics & SCM– 2years

Paper 22 (Enrolment code: CPS)

Paper 18 ( Enrolment Code : PSM)[ OFFLINE EXAM]

Dec 2023

## Advanced SCM & Logistics

Date: 19.12.2023

Time: 2.00 pm to 5.00 pm

Max. Marks 70

Duration 3 hours

### Instructions

1. Part A is compulsory. Each sub question carries one mark.
2. In Part B answer any 3 questions . Each question carries 10 marks
3. Part C is a case study with sub questions and it is compulsory.

Total marks-20

Total marks-30

Total marks-20

### PART A

(20 marks)

#### Q. 1. Fill in the blanks.

[ 5 marks]

- i) \_\_\_\_\_ is referred to the fusion between lean strategy and agile strategy
- ii) Supply chain involves seamless flow of materials, finance and \_\_\_\_\_
- iii) The forecast is validated using the \_\_\_\_\_ method
- iv) CPFR stands for \_\_\_\_\_ planning, Forecasting and Replenishment
- v) \_\_\_\_\_ are agents responsible for supplying goods to retailers

#### Q. 2 Match the following

[ 5 marks]

##### Column A

##### Column B

- a) Lead time
- b) Reverse SCM
- c) Trend projection
- d) Milk run
- e) Central facilities

- (i) Graphical representation of data by analysing least square value
- (ii) Low overhead costs
- (iii) Time between order placement and receipt of material
- (iv) Mixed loads of goods from different suppliers are routed to suppliers
- (v) Flow of materials from customers to manufacturers

#### Q. 3 Expand the following-

[ 5 marks]

- (i) MPS –
- (ii) SCOR –
- (iii) EDI –
- (iv) RMCI –
- (v) FMCG –

#### Q. 4 Say True or False

[ 5 marks]

- a) A pull driven replenishment process helps in stopping the placement of orders when there is excess stock
- b) Finance flow is not a part of Supply chain flow
- c) Tactical decisions range from 1 day to 1 month
- d) The supply chain strategy of an organization is derived from its competitive strategy
- e) Pickup and delivery costs are charged on the basis of distance travelled by the container

### PART B

(Total 30 marks)

(Answer any three. Each question carries 10 marks)

#### Q5. i) State FIVE Inventory related metrics and explain how they affect a supply chain [ 5 marks]

- ii) Processes in a supply chain can be better understood if we look at them as cycles. Explain briefly, any TWO cycles of a supply chain [ 5 marks]

#### Q6. (i) Supply chains are very complex entities; Recent advancement in IT and communications have enabled

organizations to have better control and reduce costs. Do you agree? Explain with reasons. [ 5 marks]

- (ii) What is a strategic fit? How can an organization achieve strategic fit? [ 5 marks]

#### Q7 i) What is cross docking ? Explain any THREE types of cross docking ? [ 5 marks]

- ii) Compare and contrast an efficient supply chain and responsive supply chain [ 5 marks]

**Q8 i)** Explain the costs associated with Inventory [ 5 marks]

**ii)** Write a note on Vendor Managed Inventory [ 5 marks]

**Q. 9** Write Short Notes **any two**. [2 x 5 = 10 marks]

- (i) Qualitative methods of forecasting
- (ii) Components of transportation cost
- (iii) Mass customization

## **PART C**

**(20 marks)**

### **Q.10 Case Study (compulsory)**

The example of IBM Personal computer (PC) highlights the advantages and disadvantages of outsourcing key business functions.

When IBM decided to enter the PC market in late 1981, the company did not have the infrastructure in place to design and build a personal computer. Rather than take the time to develop these capabilities, IBM outsourced all the major components of the PC. For example, the microprocessor was designed and built by Intel, and the operating system was provided by Microsoft.

IBM was able to release this computer in the market within 15 months of beginning its design, by tapping on the expertise and resources of other companies. Within three years, IBM was able to replace Apple as the number one supplier of personal computers. By 1985, IBM's market share was over 40%.

Around the same time, competitors such as Compaq entered the market, producing PCs utilizing the same suppliers as IBM. Furthermore, when IBM tried to regain the market by introducing its PS/2 line of computers, featuring a new proprietary design and an operating system called OS/2, other companies did not follow IBM's lead, and the original architecture remained dominant in the market.

By the end of 1995, IBM's market share had fallen to less than 8%, behind market leader Compaq's 10%.

#### **Questions:**

Q1. Why do companies enter into supply alliance?

Q2. In your opinion what should IBM have done to retain their market share?

Q3. Why do organizations enter into strategic alliances

Q4 What benefits could IBM have derived by building partnerships with its supply chain partners?

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